

1210.16 Reinstatement of Annual Leave

Issued January 1, 1994

SUBJECT: Reinstatement of Annual Leave.

APPLICATION: Executive Branch Departments and Sub-units.

PURPOSE: To provide guidelines for reinstating annual leave.

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SUMMARY:

The following information applies primarily to excluded and non-exclusively represented employees. Contract provisions may require processing to be different than provided by these procedures for exclusively represented employees.

State employees may make cash reimbursement to the state to have a portion of annual leave for which they were previously paid reinstated under 1 of 2 Civil Service (CS) policies:

- (1) As of October 1, 1982, employees returning to work from being laid off may buy back annual leave for which they were paid when laid off. This option is available once per recall and must be exercised within 13 pay periods after being recalled.

Employees returning to same department or agency from which they were laid off may buy back any portion of annual leave for which they were paid when laid off.

Employees returning to work for a different department or agency may buy back up to 80 hours of annual leave for which they were paid.

Cost of buy back is based on the rate of pay the employee will be receiving at the time of buy back, unless a contract specifies differently.

- (2) Employee Relations Policy entitles officers and representatives of Recognized Employee Organizations (REOs), who use annual leave for internal organizational affairs of the REO, to buy back up to 80 hours of annual leave used during the previous 12 months.

Cost of this buy back is based on the rate of pay the employee is receiving at the time of buy back.

Reimbursement for reinstated annual leave may be made by the employee or REO on behalf of the employee. Formula used to calculate the amount of reimbursement is the same regardless of who makes reimbursement, unless terms of a contract stipulate otherwise.

Reimbursement by REO is processed on Form A-29, Receipts Voucher (RV). Reimbursement by a state employee is processed on Form A-29-A, Payroll Refund Receipts Voucher (PRRV).

Reinstatement of annual leave does not affect employee's seniority, longevity, additional leave credits or fringe benefits.

Annual leave is reinstated by processing a cash reimbursement in 1 of 2 ways:

- Gross pay method involves processing reimbursement on a PRRV thereby reimbursing the state for the employee's gross pay plus retirement, social security and Medicare contributions made by the state for the employee. Gross pay method is used to process cash reimbursements, unless a contract stipulates otherwise.
- Net pay method involves processing reimbursement on a RV thereby reimbursing the state for employee's net pay only. Employee's gross pay and state's contributions to retirement, social security and Medicare remain unchanged. Contracts with REOs may stipulate that the state is to be reimbursed for net pay only. If an REO makes reimbursement, the net pay method is used.

When processing a cash reimbursement, credit entry may be applied to an expenditure account or revenue account. Fiscal year during which use of the annual leave being reinstated occurred determines which account is used.

- Reimbursement for annual leave used in current fiscal year will be credited to the expenditure account from which original payment was made when leave was used.
- Reimbursement for annual leave used in a prior fiscal year must be credited to revenue accounts Refund of Prior Year's Expenditures.

Reimbursements covering both current and prior year leave usage must be prorated.

APPLICABLE FORMS: A-29, Receipts Voucher (RV).
A-29-A, Payroll Refund Receipts Voucher (PRRV).

PROCEDURES:

Employee:

- Determines eligibility to buy back a portion of annual leave for which payment was received in accordance with CS policy.
- Requests personnel office to calculate cash reimbursement amount needed to buy back the annual leave being reinstated.

Personnel Office:

- Determines if the request meets all applicable CS policy requirements, and provisions of applicable contracts.
- Ensures number of hours being reinstated does not exceed maximum amounts in CS Compensation Procedure No. 10 - Standard five.
- Determines if reimbursement will be processed by gross pay method or net pay method.

Annual Leave Buy Back - Gross Pay Method

- Determines gross pay amount:
 - Applies employee's current rate of pay to number of annual leave hours being reinstated.
- Determines employee's share of retirement if any, Medicare, social security and withholding tax deductions applying applicable rates to gross pay amount.
 - Considers the employee's year-to-date earnings, social security and Medicare taxable earnings base when calculating social security and Medicare deductions.
- Calculates amount to be paid:
 - Gross pay amount minus federal withholding tax deductions, state withholding tax deductions, local withholding tax deductions, Medicare, social security tax and retirement contributions if any.
- Collects amount calculated above from employee.
- Prepares PRRV per Financial Management Information System (FMIS) manual 2.14.

- Adjusts employee's annual leave balance after PRRV has been prepared and properly signed.

Annual Leave Buy Back - Net Pay Method (REO Reimbursement Only)

Personnel Office:

- Determines gross salary amount:
 - Applies rate of pay the employee will be paid to the number of annual leave hours being reinstated (up to maximum allowable hours).
- Determines employee's share of retirement, if any, Medicare, social security and withholding tax deductions applying current rates to the gross salary amount.
 - Considers the employee's year-to-date earnings, social security and Medicare taxable earnings base when calculating social security and Medicare deductions.
- Calculates amount to be paid:
 - Gross salary amount minus federal withholding tax deductions, state withholding tax deductions, local withholding tax deductions, Medicare, social security tax and retirement contributions if any.
- Collects amount calculated above from employee or REO.
- Prepares RV; see FMIS manual 2.13.
 - Use object code 100 for credit entry.

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